

BK 6228 PG 104

DECLARATION OF CONDOMINIUM

013497

Waterville Medical Arts Associates Condominium

ARTICLE I

Submission; Defined Terms

Section 1.1 Submission of Property. Inland Hospital ("Declarant"), Lessor of the land described in Exhibit A annexed hereto, located within the City of Waterville, Kennebec County, Maine ("Land"), hereby submits the Land, together with all improvements, easements, rights and appurtenances hereunto ("Property") belonging to the provisions of Chapter 31 of Title 33 of the Maine Revised Statutes Annotated, as amended, known as the Maine Condominium Act ("Condominium Act") and hereby creates a condominium with respect to the Property, to be known as "Waterville Medical Arts Associates" ("Condominium"). The Property is shown on the condominium plat, (hereafter "Plat") and plans, (hereafter "Plans") in the Kennebec County Registry of Deeds identified as follows: Kennebec County Registry of Deeds, File number: E2000-071-76

Section 1.2 Defined Terms. As provided in Section 1601-103 of the Condominium Act, as the same may be amended from time to time, terms not otherwise defined herein, or in the Plats and Plans, shall have the meanings specified in 1601-103 of the Condominium Act.

A. "Condominium Instruments" shall mean this Declaration and all exhibits attached hereto or referred to herein, including the Plat and Plans.

B. "Medical Care Providers" shall mean any physician recognized by the American Medical Association, the American Osteopathic Association or the American Podiatric Association in their particular field.

Section 1.3 Name and address of Condominium and Association. The name of the condominium is "Waterville Medical Arts Associates Condominium" ("Condominium"). The address of the Condominium is 180 Kennedy Memorial Drive, Waterville, Maine, 04901. The name of the unit owners association is "Waterville Medical Arts Associates" ("Association") and its address is 180 Kennedy Memorial Drive, Waterville, Maine, 04901.

Section 1.4 Notice to Unit Owners. Notice of matters affecting the condominium shall be given to unit owners by delivery in hand or by sending prepaid by United States mail to the mailing address of each unit or to any other mailing address designated in writing by the unit owner.

O'Donnell & Lea 20
112 Silver St.
Waterville, ME 04901

37-132
Units 1 thru 11

37132
Unit 1-11

Section 1.5 Interpretation. In the event of any conflict or discrepancy between this declaration and the Plats and Plans, this Declaration shall govern.

ARTICLE 2

Leasehold Interest

Section 2.1 Lease Recording Information. The Declarant as Lessor has entered into a Lease ("Lease") with the Association as Lessee for land upon which the buildings and improvements are located. A memorandum of such Lease dated March 16, 2000, is recorded in the Kennebec County Registry of Deeds, Book 6167, Page 317.

Section 2.2 Expiration Date of Lease. The Lease is scheduled to expire on March 14, 2099. The Lessee has the option to extend the term for one additional fifty (50) year period.

Section 2.3 Description of Leased Premises. The Leased Premises is described in Exhibit A and is further depicted on the Plat.

Section 2.4 Right To Redeem Reversion. The Unit Owners, acting through the Association, but not individually, have the right to redeem the reversion only upon the expiration, or earlier termination of the Lease in consideration of the payment of One Hundred Dollars to be paid by the Association to the Lessor. This right may be exercised by the Association by Notice in writing within sixty (60) days prior to the expiration date or within sixty (60) days of receipt of Notice of earlier termination as provided in the Lease.

Section 2.5 Right to Improvements. In the event that the Unit Owners, through the Association, do not exercise the right to redeem the reversion, then upon expiration or termination of the Lease all unit and common ownership improvements will become the property of the Lessor and the Unit Owners will have no right to remove any improvements from the Leased premises.

Section 2.6 Lease Renewal. The Unit Owners, through the Association, but not individually, shall have the right to renew the Lease for one fifty year term upon the same terms and conditions of the Lease.

Section 2.7 Termination of Leasehold Interest. Neither the Lessor nor its successor in interest may terminate the leasehold interest of a Unit Owner who makes timely payment of his share of the rent and otherwise complies with all covenants, which, if violated, would entitle the Lessor to terminate the Lease. A Unit Owner's leasehold interest is not affected by failure of any other person to pay rent or fulfill any other covenant.

Section 2.8 Condemnation. In the event the Lease is terminated as a result of a public

condemnation, the award and proceeds allocable to the Condominium improvements or structures shall be paid to the Unit Owners in proportion to each Unit's common element interest.

Section 2.9 Merger of Interests. Acquisition of the leasehold interest of any Unit Owner by the owner of the reversion or remainder does not merge the leasehold and fee simple interest, unless the leasehold interests of all unit owners subject to that reversion or remainder are acquired.

Section 2.10 Reallocation of Interests. The expiration or termination of the Lease shall not affect the number of Units in the Condominium or the allocation of Unit Owner's interest.

ARTICLE 3

Buildings on Leased Land; Unit Boundaries

Section 3.1 Location and Dimensions of Buildings and Improvements. The Leased land and the location of the buildings and the improvements on the land are depicted on the Plat recorded in the Kennebec County Registry of Deeds. The dimensions of the buildings are shown on the Plans recorded in the Kennebec County Registry of Deeds.

Section 3.2 Units. The Declarant reserves the right to create a maximum of 11 units on the Land submitted herein and described in Exhibit A. This Declaration creates 11 condominium units on the Land.

The location of the Units within the various buildings and their horizontal and vertical boundaries, floor plans, elevations and dimensions are shown on the Plans recorded in the Kennebec County Registry of Deeds.

Attached as Exhibit B hereto is a list of all units, their identifying numbers, square footage, common element interest, common expense liability and vote appurtenant to each unit determined on the basis of size. The "size" of each unit is the total number of square feet contained herein determined by reference to the dimensions shown on the Plats and Plans. If units are added to the Condominium, or if boundaries are relocated, the same formula, i.e. "size" will be used to reallocate the allocated interests among all of the units included in the Condominium after the addition.

Section 3.3 Unit Boundaries. The boundaries of each unit are as follows:

- (a) Upper and Lower (horizontal) Boundaries: The upper and lower boundaries of the

37-132
units 1-11

unit shall be the following boundaries extended to an intersection with the vertical (parametric) boundaries:

- (1) Upper Boundary: The ceiling above the upper floor.
- (2) Lower Boundary: The horizontal plane of the top surface of the undecorated foundation floor.

(b) Vertical (parametric) Boundaries: The vertical boundaries of the unit shall be the walls bounding the unit extended to intersections with each other and with the upper and lower boundaries. Boundary lines shall also be the exterior surface of doors, windows and storm windows, and glass walls, and their frames, sills and thresholds.

Section 3.4 Maintenance Responsibilities. Notwithstanding the ownership of the various portions of the common elements and the units by virtue of the foregoing boundary description, the provisions of the By-Laws shall govern the division of maintenance and repair responsibilities between the unit owner and the Association.

Section 3.5 Relocation of Unit Boundaries and subdivision of Units. Relocation of boundaries between units is permitted subject to compliance with the provisions therefor in Section 1602-112 of the Condominium Act. Subdivision of units is not permitted.

ARTICLE 4

Common Elements

Section 4.1 Common and Limited Common Elements. The locations of the common elements to which each unit has direct access are shown on the Plats and Plans; pursuant to Section 1602-102(4) of the Condominium Act, a shutter, awning, window box, doorstep, stoop, balcony, porch, patio, if any, adjacent to a unit is a limited common element appurtenant to that unit.

The common elements shall consist of all of the Property except the individual units, and shall include the land, buildings, foundations, roofs, outside walls, pipes, ducts, electrical wiring and conduits, private and public utility systems, and utility lines, floors and ceilings (other than the portion of the floors and ceilings which constitute a part of the units in accordance with Section 1602-102(1) of the Condominium Act), perimeter walls of units (other than the portion of the walls which constitute a part of the units in accordance with Section 1602-102(1) of the Condominium Act), structural parts of the building, including structural columns, girders, beams and supports; easements as set forth in Exhibit A for parking, access, and utilities; and in addition, all other parts of the property necessary and convenient to its existence, maintenance and safety, and normally in common use as defined in the

37-132
Units 1-11

Condominium Act, except such parts of the property as may be specifically excepted or reserved herein or in any exhibit attached hereto or referred to herein. Each unit owner shall have the right to use the common elements in common with all other unit owners, as may be required for the purposes of ingress and egress to and use, occupancy and enjoyment of the respective unit owned by such unit owner. Such rights shall extend to the unit owners and members of the immediate family, guests and other authorized occupants, licensees, and visitors of the unit owner. The use of the common elements and the rights of the unit owners with respect thereto shall be subject to and governed by the provisions of the Condominium Act, this Declaration, and the By-Laws and Rules and Regulations of the Association, as hereinafter described, and as they may hereafter be amended from time to time.

Section 4.2 Alteration of Common Elements by the Declarant. The Declarant reserves the right to modify, alter, remove or improve portions of the common elements, including, without limitation, any equipment, fixtures and appurtenances, when in the Declarant's judgment it is necessary or desirable to do so, until the expiration of the applicable warranty period.

Section 4.3 Rental Operation. The Declarant shall have the right to operate any units owned by the Declarant as a rental project. The Declarant may establish and maintain all offices, signs and other accouterments normally used in the operation of such rental properties in the sole discretion of the Declarant. Such operations shall be for the benefit of the Declarant and neither the Association nor any unit owner (other than the Declarant) shall have any right or interest in the profits or losses thereof.

ARTICLE 5

Easements

In addition to the easements created by Sections 1602-114 of the Condominium Act, the following easements are hereby granted:

Section 5.1 Easement to Facilitate Sales and Construction. The Property shall be subject to an easement in favor of the Declarant pursuant to Section 1602-116 of the Condominium Act. The Declarant reserves the right to use any units owned or leased by the Declarant as models, management offices or sales offices for this project. The Declarant reserves the right to relocate the same from time to time within the Property; upon relocation, the furnishings thereof may be removed. The Declarant further reserves the right to maintain on the Property such advertising signs as may comply with applicable governmental regulations, which may be placed in any location on the Property and may be relocated or removed, all at the sole discretion of the Declarant. This easement shall continue until the Declarant has conveyed all units in the Condominium to unit owners other than the Declarant.

The Declarant further reserves an easement to connect with and make use of utility

37-132
unit 1-11

lines, wires, pipes and conduits located on the Property for construction purposes, provided that Declarant shall be responsible for the cost of service so used and to use the common elements for ingress and egress and construction activities and for the storage of construction materials and equipment used in the completion of the units and common elements. This easement shall continue until the Declarant has conveyed all units in the Condominium to unit owners other than the Declarant.

Section 5.2 Easement for Access and Support.

(a) The Declarant reserves, in favor of the Declarant and/or any other person authorized by the Board of Directors, the right of access to any unit as provided in Section 1603-107(a) of the Condominium Act. In case of emergency, such entry shall be immediate whether the unit owner is present at the time or not. Further, until the expiration of the warranty period such entry shall be permitted to perform warranty-related work whether the unit owner consents or is present at the time or not. Declarant, its agents, officers, servants, and its successors and assigns, shall have the reasonable right of access to all common elements as it or they may own units or shall have obligations or rights with respect to such areas. The Association or its authorized representatives shall have the irrevocable right to be exercised by the Manager or Board of Directors to have access to each unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the common elements or for making emergency repairs therein necessary to prevent damage to the common elements or to other units.

(b) Each unit and common element shall have an easement for lateral and subjacent support from every other unit and common element.

Section 5.3 Declarant's Right to Grant Easements. The Declarant shall have the right, prior to the termination of the Declarant Control Period as set forth in Article 8, to grant and reserve easements and rights-of-way through, under, over and across the Property for construction purposes, and for the installation, maintenance and inspection of the lines and appurtenances for public or private water, sewer, drainage, gas, electricity, telephone and other utilities.

ARTICLE 6

**Amendment to Condominium
Instruments; Required Consent**

No amendment of the Declaration may be made without the prior written approval of the required percentage of Mortgagees where such approval is required elsewhere in the condominium instruments or by the Condominium Act. The Declarant or its successors and assigns may unilaterally prepare, execute, and record Amendments in the exercise of its development rights or special Declarant rights as provided herein and in the Maine

37-132
under F-11
BK 6228 PG 110

Condominium Act. No amendment shall be made to any condominium instrument during the Declarant Control Period without the prior written consent of the Declarant. No amendment shall modify or repeal the restrictions on use, occupancy or alienation as set forth in Article 7 without the prior written consent of the Declarant so long as the Declarant owns, manages or operates an acute in-patient care facility at the present site of Inland Hospital at Kennedy Memorial Drive, Waterville, Maine. No amendment to the condominium instruments shall diminish or impair the rights of Mortgagees under the condominium instruments without the prior written consent of all Mortgagees, nor diminish or impair the rights of the Declarant under the condominium instruments without the prior written consent of the Declarant. No amendment may modify this Article or the rights of any person hereunder. Except as specifically provided in the condominium instruments, no provision of the condominium instruments shall be construed to grant to any unit owner, or to any other person, any priority over any rights of Mortgagees. Amendments shall be in accordance with Section 1602-117 of the Condominium Act.

ARTICLE 7

Restrictions on Use, Occupancy or Alienation

The Declarant shall own in fee simple each condominium unit to which legal title is not conveyed or otherwise transferred to another person. The Declarant retains the right to enter into leases with any persons for the occupancy of any of the units owned by the Declarant.

The building is intended to be used as a multi-unit professional office building for Medical Care Providers, as that term is defined herein. Each unit shall be a self-contained office space and shall be subject to the rules and regulations and By-Laws of the Association. Each unit shall be occupied, within the limitations set forth herein and in the Bylaws of Condominium Association and shall be used by the respective owners, and/or their tenants as an office for medical care providers and for no other reason. This provision shall not prohibit a medical care provider occupant from employing or independently contracting with other professionals who may provide services on site which are incidental to those of the medical care provider. This restriction on use may be amended only in accordance with the provisions of Article 6.

The common elements as described in Article 3 shall be used for the benefit of the unit owners, the furnishing of services and facilities for which the same are reasonably intended, and for the enjoyment to be derived from such proper and reasonable use.

Rental of units shall be only for terms in excess of thirty (30) days and in accordance with rules and regulations of the Association. No unit owner or authorized occupant shall permit or suffer anything to be done or kept upon the property which will increase the rate of insurance on the property or on the contents thereof or which will obstruct or interfere with the

rights of other occupants or annoy them by unreasonable noises or otherwise.

Unit owners may not erect any other structures or do any other thing which affects the external appearance of the building or grounds except as provided in this Declaration or in accordance with policies established by, or specific consent of the Board of Directors.

The Board of Directors shall have the right to promulgate rules and regulations limiting the use of the common elements to unit owners, their guests and invitees.

Each unit owner shall comply strictly with the Bylaws and with the administrative rules and regulations adopted pursuant thereto, and with the covenants, conditions and restrictions set forth in this Declaration, including Exhibit A, or in the deed to his unit. Failure to so comply shall be grounds for an action to recover damages or for injunctive relief, or both, maintainable by the Manager or Board of Directors on behalf of the Association or by an aggrieved unit owner. No unit owner shall do any work which may jeopardize the soundness or safety of the property, reduce the value thereof or impair any easement, rights, appurtenances or other hereditament consisting of common elements without the unanimous consent of all the other unit owners.

Each unit owner shall pay to the Association, or its authorized representative, monthly, or as otherwise required by the Association, his proportionate share of the expenses of utilities, maintenance, repair, replacement, administration and operation of the common elements, parking areas, access drives, and access roads, and of keeping the common areas and the outside of the buildings in good maintenance and repair, as well as a reserve for major maintenance or replacement. Such proportionate share shall be as set forth in Exhibit B attached hereto except that common expenses which, in the judgment of the Board of Directors of the Association, benefit fewer than all of the units may be assessed exclusively against the benefit units. Payment thereof shall be in such amount and at such times as may be provided by the By-Laws or the regulations of the Association and subject to annual review. In the event of the failure of a unit owner to pay such proportionate share when due, the amount hereof shall constitute a lien on the interest of such unit owner, as provided by the Condominium Act.

Due to anticipated future changes in wiring configurations, individual electrical metering for each Unit is economically impractical. Therefore, the provision of electrical service, including, but not limited to, heat and/or air conditioning for each Unit shall be maintained under the control of the Declarant or the Association, as the case may be. The Unit owners will have control only over lights and electrical outlets in their units. The Unit owners shall be responsible for their proportionate share of expenses related to the provision of such electrical services, including use and maintenance as such proportions are set forth in Exhibit B.

Each unit owner shall furnish and be responsible for, at his own expense, all the

maintenance, repairs and replacements within his own unit; provided, however, such maintenance, repair and replacements as may be required for the functioning of or for the bringing of water, sewer, and electricity to the unit, shall be furnished by the Association as part of the common expenses.

The provisions of this Declaration and the By-Laws and the rights and obligations established hereby shall be deemed to be covenants, running with the land, so long as the property remains subject to the provisions of the Condominium Act and shall inure to the benefit of and be binding upon each and all of the unit owners and their respective heirs, representatives, successors, assigns, purchasers, lessees, grantees and mortgagees. By the recording of or by the acceptance of a deed conveying a unit or any interest therein, the grantee, his heirs, successors or assigns shall be deemed to accept and agree to be bound by and subject to all of the provisions of the Condominium Act, this Declaration, and the By-Laws. Acceptance of such deed shall also constitute waiver of minor discrepancies in the Plats and Plans.

ARTICLE 8

Development Rights: Special Declarant Rights; Transfer

Section 8.1 Development Rights. The Declarant reserves the right to create, and construct any of the 11 condominium units within the Land which are not in existence on the date of this Declaration. Each of the development rights reserved herein with respect to the Units may be exercised as to the units at different times, and no assurances are made by the Declarant as to the location, type of unit or the order in which the development rights will be exercised as to those units other than that the units will be substantially in the locations as shown on the condominium Plat and will be consistent with the existing units in terms of design and quality of construction, although the size of some units may change.

These development rights may be exercised by the Declarant until such time as the Declarant has conveyed all 11 units in the condominium to unit owners other than the Declarant or for a period of 7 years commencing March 14, 2000, whichever occurs first. ("Declarant Control Period").

Section 8.2 Special Declarant rights. Special Declarant rights are those rights reserved for the benefit of the Declarant as provided for in the Condominium Act and the condominium instruments, and shall include, without limitation, the following rights: (a) to complete improvements indicated on the Plat and Plans recorded in the Kennebec County Registry of Deeds; (b) to maintain sales offices, management offices, customer service offices, signs advertising the Condominium and models; and (c) to use easements through the common elements for the purpose of making improvements within the Condominium.

These rights may be exercised by the Declarant until such time as the Declarant has

37-132
Unit 1-11

conveyed all units in the Condominium to unit owners other than the Declarant.

Section 8.3 Transfer

(a) Declarant's Right of First Refusal. The Declarant, its successors or assigns, shall have the right of first refusal on the sale or lease of any unit.

No unit owner may sell or lease his unit or any interest therein except by complying with the provisions of this section. Any unit owner who receives a bona fide offer for the sale or lease of his unit, (hereinafter called an "outside offer") which he intends to accept, shall give notice to the Declarant, its successor, assignee, or designee of such offer, the name and address of the proposed purchaser or lessee, the terms of the proposed transaction and such other information as the Declarant may reasonably require. Concurrently therewith, the unit owner shall offer to sell or to lease such unit to the Declarant, its successor, assignee, or designee, (including the Board of Directors on behalf of the Association) on the same terms and conditions as contained in such outside offer. The giving of such notice shall constitute a warranty and representation by the unit owner who has received such offer to the Declarant that such owner unit believes the outside offer to be bona fide in all respects. Within 30 days of receiving such notice, the Declarant, its successor, assignee, or designee may elect, by notice to such unit owner, to purchase or to lease such unit, as the case may be, or to cause the same to be purchased or leased by its designee, on the same terms and conditions as contained in the outside offer and as stated in the notice from the unit owner. If the Declarant, its successor or assignee shall elect to purchase or lease such unit or to cause the same to be purchased or leased by its designee, the transaction shall be closed within 45 days after it gives its notice of election to accept such offer. If the Declarant, its successor, assignee, or designee shall fail to accept such offer within 30 days, the unit owner shall be free to contract to sell or lease such unit, as the case may be, to the outside offer, subject to the restrictions on use, occupancy or alienation contained in the declaration.

(b) Declarant's Conditional Obligation to Purchase. The Declarant, its successors or assigns shall be obligated to purchase a unit owner's interest in that owner's unit at a price as hereafter determined upon the unit owner's election, subject to the unit owner's compliance with all of the following terms and conditions:

(i) The unit owner shall give the Declarant written notice of his intent to offer his unit for sale. The notice shall set forth the name and address of a qualified appraiser selected by the unit owner for the purpose of determining the then current fair market value of the unit without discount for restrictions on use or alienation. Within 14 days of receipt of such notice, Declarant may designate a second qualified appraiser by return notice to the unit owner. The fair market value of the unit shall be determined to be the average of values submitted to the

parties by each appraiser. In the event the Declarant does not provide notice of selection of a second appraiser within the designated time, the fair market value of the unit shall be determined by the appraiser selected by the unit owner.

(ii) The unit owner shall list the unit for sale with a licensed commercial real estate broker and shall exercise all reasonable efforts to sell the unit at a price consistent with the fair market value as determined by appraisal.

(iii) In the event that the unit owner has not sold the unit, or entered into a binding contract of sale within twelve months from the date of Declarant's receipt of notice of the unit owner's intent to sell, or at any time thereafter provided that the unit has been continuously offered for sale for a period of not less than 12 months, then at the written election of the unit owner delivered to Declarant, the Declarant shall, within thirty days from receipt of the unit owner's notice of election, purchase the unit from the unit owner. The sale price of the unit shall be a sum equal to the appraised fair market value adjusted by deducting the unit owner's accumulated depreciation on such unit as determined by the SYD depreciation method, provided, however, that the purchase price shall in no event be less than 75% of the appraised fair market value.

(iv) The Declarant's obligation to purchase is expressly conditioned upon the unit owner's ability to convey merchantable title, free and clear of all encumbrances, except easements and restrictions of record and the unit owner's strict compliance with the terms, conditions and notice requirements of this section.

(v) Nothing in this section shall be construed so as to modify or abridge Declarant's Right of First Refusal as set forth in Section 8.3(a).

ARTICLE 9

Board of Directors

Section 9.1 Initial Board of Directors. Subject to the provisions of the Act, this Declaration or the By-Laws, the Board of Directors shall have the power to act on behalf of the Association. The initial Board of Directors shall consist of three (3) members. For the period of Declarant control set forth in Section 8.1, above, the members of the Board of Directors and the officers of the Association shall be appointed, removed and replaced from time to time by the Declarant without the necessity of obtaining resignations. The Declarant-appointed members of the Board of Directors shall be replaced with unit owners, other than the Declarant, in accordance with the provisions of Section 9.2.

Section 9.2 Election of Board of Directors by Unit Owners. No later than the earlier of (i) sixty (60) days after the conveyance of 75% of the units to owners other than the Declarant

37-132
Unit 1-11

or (ii) seven (7) years from the date of the first conveyance of a unit to an owner other than the Declarant, the owners other than the Declarant shall elect a Board of Directors of three (3) members all of whom shall be unit owners other than the Declarant. The unit owners on this Board of Directors shall serve until the first regular election of the Board of Directors held at the first regular meeting of the Association held in accordance with the By-Laws.

ARTICLE 10

Mortgages

Section 10.1 Rights of Eligible Mortgagees.

10.1.1: Upon the specific written request of a holder of an Eligible Mortgage Holder (as defined in §1602-119(b)(7) of the Condominium Act) on a Unit or its servicer to the Board of Directors, the mortgagee shall be entitled to receive some or all of the following as designated in the request:

- (a) Copies of budgets, notices of assessment, or any other notices or statements provided under this Declaration by the Board of Directors to the Owner of the Unit covered by the mortgage;
- (b) Any audited or unaudited financial statements of the Board of Directors which are prepared for the Board of Directors and distributed to the Unit Owners. The holder of any mortgage on a Unit shall be entitled to have an audited statement prepared at its own expense if one is not otherwise available;
- (c) Copies of notices of meetings of the Unit Owners and the right to be represented at any such meetings by a designated representative;
- (d) Notice of substantial damage to or destruction of any Unit (in excess of \$1,000.00) or any part of the Common Elements (in excess of \$10,000.00);
- (e) Notice of the commencement of any condemnation or eminent domain proceedings with respect to any part of the Property;
- (f) Notice of any default of the owner of the Unit which is subject to the mortgage, where such default is not cured by the Unit Owner within thirty (30) days after the giving of notice by the Association to the Unit Owner of the existence of the default;

37-132
units 1-11

(g) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(h) Notice of any decision by the Board of Directors to terminate professional management, if any, and assume self-management of the Property;

(i) Any condemnation or casualty loss that affects either a material part of the Condominium or the Unit securing the Mortgagee's mortgage;

(j) Such other financial data as such Eligible Mortgagee shall reasonably request; or

(k) Any proposed action which would require the consent of a specified percentage of first mortgagees as set forth in Section 10.2, below.

10.1.2: The request of any Eligible Mortgagee or its servicer shall specify which of the above items it desires to receive and shall indicate the address to which any notices or documents shall be sent by the Board of Directors. The Board of Directors need not inquire into the validity of any request made hereunder by an Eligible Mortgagee. The Board of Directors may refuse to honor any request where, after reasonable inquiry, it shall determine that the person making such request is not entitled to the material so requested and may establish reasonable rules to implement this Section 10.1.2.

10.1.3: Failure to comply with the requirements set forth above shall in no way invalidate the otherwise proper actions of the Association and the Board of Directors.

10.1.4: Any Eligible Mortgagee shall have the right, exercisable upon written request to the Board of Directors, to examine the books and records of the Association at any reasonable time.

Section 10.2 Approval of Mortgagees. Subject to the limitations imposed by the Condominium Act:

(a) The prior written approval of holders of first mortgages of Units representing at least sixty-seven percent (67%) of the votes of Units subject to first mortgages shall be required to terminate the condominium status of the Property for reasons other than substantial destruction or condemnation of the Property;

(b) The prior written approval of at least two thirds (2/3) of the holders of first mortgages on Units (based upon one vote for each first mortgage owned) shall be required for any of the following:

(i) the termination or abandonment of the condominium status of the Property

BK 6228 PG 1-17

37-132
Unit 11

except for termination or abandonment as a result of condemnation or substantial loss to the Units and/or Common Elements.

(ii) a change in the schedule of Percentage Interests set forth in Exhibit B allocated to each Unit (except a change due to the addition of units pursuant to reserved Development Rights);

(iii) the partition or subdivision of any Unit, or the Common Elements;

(iv) the abandoning, encumbering, selling or transferring of the Common Elements (the granting of easements for public utilities or for other public purposes consistent with the intended uses of the Common Elements shall not be deemed a transfer within the meaning of this subsection);

(v) the use of hazard insurance proceeds for losses to any Condominium Property (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such Condominium Property;

(c) The prior written approval of holders of first mortgages of Units representing at least fifty-one percent (51%) of the votes of Units subject to first mortgages shall be required to make an amendment of a material nature to the Condominium Documents. A change of the provisions of any Condominium Document directly relating to any of the following shall for this purpose be considered material:

(1) Voting rights;

(2) Assessments, assessment liens or subordination of assessment liens;

(3) Reserves for maintenance, repair and replacement of the Common Elements;

(4) Responsibility for maintenance and repairs;

(5) Reallocation of interests in the Common or Limited Common Elements or rights to their use;

(6) Boundaries of any Unit;

(7) Convertibility of Units into Common Elements or of Common Elements into Units (except the addition of units on the Land pursuant to Development Rights);

(8) Expansion or contraction of the project or the addition, annexation or

37-132
Unit 171

withdrawal of property to or from the project (other than expansion contemplated by reserved Development Rights included in this Declaration);

(9) Insurance or Fidelity Bonds;

(10) Leasing of Units;

(11) Imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit;

(12) A decision by the Association to establish self management when professional management had been required previously by an Eligible Mortgagee;

(13) Restoration or repair of the project (after a hazard damage or partial condemnation) in a manner other than that specified in the Condominium Documents;

(14) Actions to terminate the legal status of the project after substantial destruction or condemnation occurs;

(15) Provisions that expressly benefit holders, insurers or guarantors of Eligible Mortgages.

(d) Notwithstanding anything to the contrary in this Section 10.2, written approval of holders of first mortgages on Units shall not be required for an amendment to this Declaration made pursuant to Section 2.8 or Article 8 hereof.

ARTICLE 11

Budgets, Common Expenses, Assessments and Enforcement

Section 11.1 Monthly payments. The Board of Directors shall levy and enforce the collection of general and special assessments for Common Expenses as required by the By-Laws. Assessments shall commence upon the conveyance of the first Unit to a Person other than the Declarant. All Common Expense annual assessments shall be due and payable in equal monthly installments, in advance, on the first day of each month. Special assessments shall be due and payable in equal monthly installments, in advance, on the first day of each month, during such period of time as established by the Board of Directors. Assessments other than special assessments, shall be deemed to have been adopted and assessed on a monthly basis and not on an annual basis payable in monthly installments.

ARTICLE 12

No Obligations

Nothing contained in the condominium instruments shall be deemed to impose upon the Declarant or its successors or assigns any obligation of any nature to build, construct or provide any improvements except to the extent required by the Condominium Act.

ARTICLE 13

Miscellaneous

If any provision of this Declaration, the By-Laws or the rules and regulations, or any section, sentence, clause, phrase, or word therein, or the application thereof in any circumstances be judicially held in conflict with any applicable laws, including, but not limited to, the Condominium Act, then the laws shall be deemed controlling; but the validity of the remainder of this Declaration, the By-Laws and rules and regulations, and the application of any such provision, section, clause, phrase, or word in other circumstances shall not be affected thereby.

Any dispute or disagreement between unit owners with respect to interpretation or application of this Declaration or the By-Laws or rules and regulations shall be determined by the Board of Directors, which determination shall be final and binding on all parties.

If any term, covenant, provision, phrase or other element of this Declaration, the By-Laws, any deed to a unit, or the rules and regulations is held to be invalid or unenforceable for any reason whatsoever, such holdings shall not affect, alter, modify, or impair in any manner, any other term, covenant or provision, phrase or other element of such documents.

The Board of Directors may prescribe by resolution a form of lease or specific provisions to be included in any lease of a unit, and thereafter no unit owner shall execute a lease of his own unit not in compliance with such resolution.

Any unit owner in default in the payment of any amount due the Association or in violation of any provision of the Condominium Act, this Declaration, the By-Laws, or the rules and regulations of the Association, which violation continues for thirty (30) days after notice thereof by the Association to the unit owner may be prohibited by the Board of Directors from the use and enjoyment of any and all of the common areas not essential to access to the unit, in addition to all other remedies available to the Board of Directors.

In any dispute between one or more unit owners and the Declarant regarding the common areas, the Board of Directors shall act for the unit owners, and any agreement with respect thereto by the Board shall be conclusive and binding upon the unit owners.

All claims, disputes and other matters in question between the Declarant, on the one

37-132
Units 1-11

hand, and the Association or any unit owners on the other hand, arising out of or relating to, this Declaration, the By-Laws, or the deed to any unit or the breach thereof, except for claims which have been waived by the acceptance of a deed, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then pertaining unless the parties mutually agree otherwise. This agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law. The award rendered by arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

Notice of the demand for arbitration shall be filed in writing with the other parties and with the American Arbitration Association. The demand for arbitration shall be made within a reasonable time after the claim, dispute or other matter in question has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations or other principals of law and equity.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed by its President, this 14th day of March, 2000:

Inland Hospital

By: Wilfred J. Addison
Wilfred J. Addison, President

STATE OF MAINE
KENNEBEC, SS.

March, 14, 2000

Personally appeared the above named **Wilfred J. Addison** and acknowledged the foregoing instrument to be his free act and deed.

Before me,
Blair Jones
~~Notary Public~~ / Attorney-At-Law
Blair Jones

BK 6228 PG 121

37-132
Unit 11

WATERVILLE MEDICAL ARTS ASSOCIATES CONDOMINIUM

DECLARATION OF CONDOMINIUM

EXHIBITS

Exhibit A Description of Real Property

Exhibit B List of All Units, Identifying
Numbers, Square Footage, Common Element Interest,
Common Expense Liability and Vote Appurtenant to Each
Unit

DECLARATION OF CONDOMINIUM

EXHIBIT A

PROPERTY DESCRIPTION

A certain lot or parcel of land to be leased by INLAND HOSPITAL (Grantor) to WATERVILLE MEDICAL ARTS ASSOCIATES (Grantee) situated in Waterville, County of Kennebec, State of Maine, bounded and described as follows:

Commencing at a capped steel rebar marking the northeasterly corner of the property of the Grantor, said rebar being in the southerly line of Kennedy Memorial Drive, and being the northeasterly corner of the property of Inland Hospital as described in Kennebec County Registry of Deeds, Book 1510, Page 835; thence in a 1987 magnetic bearing of South thirty-one degrees thirty-three minutes eight seconds West (S 31° 33' 08" W) along the easterly line of the Grantor a distance of two hundred fifty-one and thirty hundredths (251.30) feet to a point; thence North fifty-eight degrees twenty-six minutes fifty-two seconds West (N 58° 26' 52" W) a distance of eleven and twenty-one hundredths (11.21) feet to the Point of Beginning of the herein described leasehold; thence North forty-two degrees fifty-one minutes twenty-one seconds West (N 42° 51' 21" W) a distance of seventy-five and thirty-four hundredths (75.34) feet to a point; thence South forty-seven degrees eight minutes thirty-nine seconds West (S 47° 08' 39" W) a distance of sixty-five and two tenths (65.2) feet; thence along a curve to the left whose radius is ten and zero tenths (10.0) feet a distance of fifteen and forty-three hundredths (15.43) feet to a point; thence South forty-seven degrees eight minutes thirty-nine seconds West (S 47° 08' 39" W) a distance of fifty-three and seventy-two hundredths (53.72) feet to a point in the face of the Dean Wing of Inland Hospital; thence South thirty-eight degrees thirty-three minutes and fifty-seven seconds East (S 38° 33' 57" E) along the face of the Dean Wing a distance of four and eighteen hundredths (4.18) feet to the northeasterly corner thereof; thence South fifty-one degrees twenty-nine minutes thirty-six seconds West (S 51° 29' 36" W) a distance of one and seventeen hundredths (1.17) feet to a point; thence South forty-two degrees fifty-one minutes twenty seconds East (S 42° 51' 20" E) a distance of seventy-one and twenty-six hundredths (71.26) feet to a point; thence North forty-seven degrees eight minutes thirty-nine seconds East (N 47° 08' 39" E) along the easterly side of the leasehold a distance of one hundred thirty-four and thirty-four hundredths (134.34) feet to the Point of Beginning.

This parcel contain ten thousand one hundred square feet, more or less (10,100±) and is a part and only a part of the parcel conveyed to the Grantor by deed recorded in Kennebec County Registry of Deeds in Book 1510, Page 835.

Subject to the rights of the Grantor to utilize, repair, replace and/or maintain existing structures, utilities, parking lots and/or roads adjacent to, upon or crossing the herein described parcel.

Also including for the benefit of the Grantee, the right to use thirty (30) existing parking spaces northerly and northeasterly of Inland Hospital's Dean Wing and fifty-six (56) existing parking spaces located southerly and southeasterly of the Dean Wing, as such parking spaces may be located or relocated from time to time by Grantor, with the right of ingress and egress on existing roads to and from said parking areas as shown on a plan of Inland Hospital, Declaration of Condominium dated March 14, 2000.

37-132
units 1-11

37-132
units 1-11

DECLARATION OF CONDOMINIUM

EXHIBIT B

LIST OF ALL UNITS, THEIR IDENTIFYING NUMBERS, SQUARE FOOTAGE,
COMMON ELEMENT INTEREST, COMMON EXPENSE LIABILITY AND VOTE
APPURTENANT TO EACH UNIT

UNIT NO.	SQUARE FOOTAGE	COMMON ELEMENT INTEREST (PERCENTAGE)	COMMON EXPENSE LIABILITY (PERCENTAGE)	VOTE APPURTENANT TO UNIT (PERCENTAGE)
1-1	4,209	18.76	18.76	18.76
1-2	2,564	11.43	11.43	11.43
1-3	726	3.24	3.24	3.24
2-1	3,155	14.06	14.06	14.06
2-2	1,079	4.81	4.81	4.81
2-3	2,337	10.42	10.42	10.42
2-4	555	2.47	2.47	2.47
3-1	2,426	10.81	10.81	10.81
3-2	1,037	4.62	4.62	4.62
3-3	3,148	14.03	14.03	14.03
3-4	1,201	5.35	5.35	5.35

RECEIVED KENNEBEC SS.

2000 JUN 16 PM 3:09

ATTEST: *James Paul Morris*
REGISTER OF DEEDS